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Straus, Simon William

"The greater thrift"

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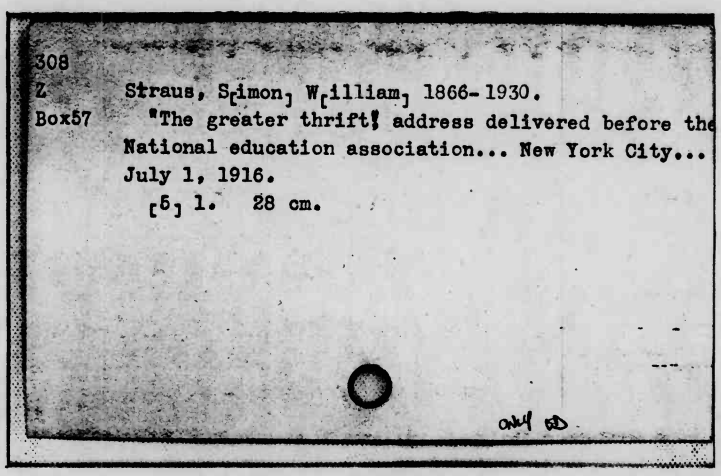

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Gift of the President

JUL 3 1916

"The Greater Thrift"

ADDRESS DELIVERED
BEFORE THE NATIONAL EDUCATION
ASSOCIATION

308
2
Box 57

BY

S. W. STRAUS

PRESIDENT

AMERICAN SOCIETY FOR THRIFT

HOTEL ASTOR, NEW YORK CITY

SATURDAY EVENING, JULY 1, 1916

RELEASE JULY 2

May - 18 Aug - 16

Members of the National Education Association and Friends:

I have chosen as the subject which I shall discuss to-night "The Greater Thrift." Your organization has undertaken to investigate the situation as it exists in America to-day with reference to the practices of thrift among the people, with the view ultimately of making recommendations along the lines of teaching thrift in our schools.

I think that, generally speaking, there is a misunderstanding as to the scope and purposes of the thrift movement in this country. The lack of understanding lies primarily in the fact that to the popular mind thrift means simply saving money. In striving to differentiate between mere money saving and the practices of the greater thrift, I am reminded of the truth of an utterance by Benjamin Franklin, who said, "Learning, whether speculative or practical, is, in popular or mixed governments, the natural source of wealth and honor." Let me repeat this—for it means so much—"Learning, whether speculative or practical, is, in popular or mixed governments, the natural source of wealth and honor." The difference between mere money saving and the greater thrift is learning—which, as Franklin declared, is the natural source of wealth and honor.

Education, taken in the sense of mental discipline, is the foundation of all wealth and all honor, national or individual, and it is only through its processes that we can bridge the chasm from money saving to the greater thrift. Saving money is one of the foundation stones in the building of a thrifty character—but it is no more the sum total of thrift than one stone is the sum total in the foundation of a great house. A man may be a money saver, and yet, if he dissipates, or is immoral, he is not thrifty. A man may save money—yet if he works eighteen hours a day, to the detriment of his health, he is not thrifty. True thrift consists in the judicious use of all our mental, material and physical resources, and when we merely save money we have only gone part way. A miser is an undesirable citizen. What, pray, would be the fate of a nation of misers? The wheels of industry are turned by men and women who spend and employ their money wisely and live sanely.

Perhaps I can more clearly indicate the point I have in mind at this time by telling you a story. Last summer in San Francisco, while conducting the Thrift Congress held by the American Society for Thrift, a lady came to me and said, "Mr. Straus, you are preaching thrift, but do you personally practice what you preach?" And I replied by asking her if she referred to financial matters or to thrift in health, time and energy. She said, "I notice you are living at an expensive hotel in this city—and that you are giving away money for essay contests and things of that sort. Now, you must either be a very rich man or a very extravagant one." And I said, "If I were a very rich man, or if I were a very poor man, and was spending any money unwisely, I would be extravagant, but if I spend what I can afford for worthy purposes which will result in good to myself and to others, I am not extravagant. Suppose we take a school teacher who is earning $800 a year, and of this sum she saves $400. Would you call her thrifty? Of course you would. Now, suppose this woman is promoted to a principalship and receives $1,200 a year, and spends $600. Would you still call her thrifty?" "Yes," was the answer.

"Now, suppose this woman is promoted to a superintendency," I continued, "and receives a salary of $2,500 a year, spending $1,250 and saving $1,250. You would still call her thrifty, although she would now be spending over three times as much as she spent at first. Let us fancy now that she has become more ambitious, opens a private school and earns $10,000 a year. Would she be thrifty if she saved $5,000 and spent $5,000?"

"Yes, she would," was the reply.

"Now, let us presume that prosperity continues to smile on her and her school grows to the point where she is earning $40,000 a year. With a changed environment, a broadened viewpoint and wider opportunities she is able to do much for her family, to donate to charities and to live well on half her income, while the other half, $20,000, she saves. Now, you will admit, will you not, that she is still thrifty, although she is spending exactly fifty times as much money on herself, her family and the community as she spent at first?

"But if this woman had continued to increase her income and had not increased the amount that she spent, so that when she was earning $40,000 she was only spending $400 a year, what would you call her then? Why, you would call her a miser, of course. Yet there was a time when she lived on $400 a year and you called her thrifty. And as a miser she would be as useless and as undesirable in her citizenship as if she were a spendthrift."

The man who pays $50,000 for a work of art, the product of the brain of a genius, and hangs it in his home, or donates it to an art gallery, is not thriftless or extravagant—although many would believe that the advocacy of thrift is against such practices. The man who pays $50,000 for a work of art places a glorious premium on genius and brains, giving impetus to artistic progress, refinement and civilization. In Chicago a man died recently and left $700,000 to the Orchestra Association of that city, to be used subsequently in the founding of a school for music the equal of any in the world. That man has given impetus to artistic development, he has exemplified the greater thrift. It is through such deeds as these that the world progresses. The man who is penurious and tight-fisted is a dead weight to civilization. We who have the interests of the great thrift movement in America at heart must realize that one of our chief problems is to teach our fellow men that merely putting money in a savings bank is not the sum total of thrift. The prudent use of money, and the practice of liberality where it could be afforded, have brought about the development of the arts and sciences and the manifold blessings of civilization. Nothing ever has been accomplished solely through selfishness and greed. Men who acquire wealth by merely piling one dollar on top of another are not good citizens in the broadest sense.

The other day a man said to me, "I know a gentleman of great wealth who drives to his business every day and home every night in an automobile that cost him $10,000. Is that thrift?" And I said, "If this man does his duty to humanity, is correspondingly charitable, and still can afford a $10,000 automobile, he is thrifty." My friend replied, "Would you call it thrifty for a man to spend $10,000 for an automobile when one costing $1,500 would probably meet all purposes?" And I said, "Yes, the man who can afford a $10,000 automobile, and uses one, is a valuable citizen, because he is placing a premium on skilled workmanship and brains, which are necessary to progress."

The man who adorns his home with expensive period furniture—with costly rugs, and who maintains beautiful grounds, is, if he can actually afford these things, a benefactor, because he is rewarding skill and artistic accomplishment. The man who dines from costly china is a more useful citizen, if he can afford these things, than if he uses cheap crockery, because in the purchase of fine chinaware and costly linens he places a premium on the development of the applied arts.

The woman who buys fine gowns and fine hats, who employs a costly modiste and who uses expensive fabrics in her gowns, is not thriftless, if she can well afford these things and lives up to the tenets I have heretofore stated in the true meaning of the greater thrift. She might purchase a suit or a gown that would cost $20, and it would serve the purpose of the one for which she pays $100, but the $20 goes to unskilled labor and the sweat shop. On the other hand, the $100 goes to skilled labor and a designer whose work is art.

The French probably have had a keener understanding of the significance of the greater thrift than any other people, and they have been known for many generations as an exceedingly prosperous nation. They have done everything to encourage art and the industries that demand skilled labor and the employment of persons of education and refinement. That is why the average woman in America to-day thinks that anything, from a hatpin to an evening gown, if it comes from France, is a little better because of its origin.

There is a happy medium between extravagance and penuriousness. One of the evils of the day lies in the fact that many of us live far beyond our resources. Jealousy, social ambitions, business rivalry, personal egotism, false pride—all play their part in the strife and the stress and mad rush of the twentieth century. Many of our false economic conditions are due to this baneful tendency to overlive, to overspend, to overindulge and to overplay our part in life's daily round. On the other hand, we have those citizens who are cheap and tight-fisted in their habits—who are unwilling to reward their fellowmen for work well done. With them progress halts; they contribute little or nothing to the upbuilding of the things that are worth while. Mid-

way between miserliness and extravagance lies the pathway of the greater thrift—and I say that it is in the better understanding of this fact, and the application of it in our lives and in the lives of those around us, that we have a problem and an opportunity.

What is the Greater Thrift? It is a constructive thrift—it is scientific thrift—it is liberal thrift—it is thrift that builds character. It is the thrift that comes through education. It is the thrift that is the basis of all progress in art, in science, in business. It is the advancement of civilization accomplished through the reward of education, morality and industry.

Summed up, the greater thrift is personal economics in its broadest sense. The greater thrift is the art of true living. And this should be the spirit of the twentieth century.

Money saving is but one link in the chain of a perfect character; economy is only a strand in the thread of thrift.

The greater thrift is mental as well as material preparedness. And it is only through the process of education that it can be developed. It cannot be taught in a haphazard manner. Through our schools the practices of this great virtue must be introduced. We are teaching our boys and girls arithmetic, history and geography—our agricultural schools are teaching them to till the soil scientifically, and to develop the resources of the land through education. We are teaching household economics. We are teaching morality and hygiene. We are teaching everything worth while but Practical Thrift—and I say to you, my friends, that we are neglecting one of the most important branches of education. If there is any merit in the greater thrift as I have pointed out—if he who practices the greater thrift is a valuable citizen, a benefit to his fellowmen, an encouragement to genius, an aid in the progress of civilization, then is it not worth while that we look into this problem more carefully and discover how and by what means we may develop this virtue in our people? If there are a million citizens in America to-day who are practicing the greater thrift, and whose fellow-citizens are deriving the benefit therefrom through their well-regulated lives, would it not be better if there were two million such citizens, or five million, or one hundred million?

These are simple facts. If every citizen in the United States to-day understood and practiced the greater thrift, what a power of strength for good and righteousness and Peace this glorious land of ours would be. We speak of wonderful America—and it is wonderful. Yet if we turn to the statistics on thrift in America we find our enthusiasm tempered, and we perforce wish that America were as wonderful a nation in the practices of thrift as it is in wealth and material resources.

The latest census of the United States gives the number of families occupying homes as 20,000,000. Of this number more than one half, 10,700,000, are renters. Of the 9,000,000 who live in their own homes, 6,000,000 are free from debt and 3,000,000 are carrying mortgages.

Some idea of the thriftlessness of the Americans, with all their opportunities, is gleaned from the latest national census, which shows that of the number of 84,198 paupers in institutions one half were born in this country. The native born number 44,254—the other 40,000 are composed of persons from foreign countries, who were handicapped by ignorance of our language and our working methods.

Let us take the statistics dealing with the average American citizen. We will take 100 men at the age of twenty-five. In ten years we find five have died. Ten have become of independent means. Ten are in good circumstances. Forty have moderate resources, and thirty-five have not improved at all.

In another ten years, at the age of forty-five, eleven more die, making a total of sixteen, and all but three of those who had anything have lost their accumulations. Three have become wealthy. Sixty-three are working, and, while self-supporting, have no other resources. Fifteen have ceased to become self-supporting.

In another ten years four more have died, making a total of twenty deaths, and one more has become wealthy. Three others, at the age of fifty-five, have reached good circumstances, but one of the three who was wealthy at the age of forty-five has lost his fortune, so that of the original one hundred there are but three who now are independent or wealthy. Forty-six are still working for a living, and have no other resources. Twenty-eight have become more or less dependent upon the charity of society, their children or their relatives.

In another ten years sixteen have died, making a total of thirty-six deaths. Of the remaining, at the age of sixty-five, one is very rich. Four are wealthy. One of those who lost everything before he reached the age of forty-five has regained his hold and has become wealthy. Six are self-supporting, with no other resources, and the other fifty-three are dependent upon charity. Not altogether public charity, but the kind indulgence of children and relatives.

In another ten years sixty-three of the original one hundred have died, sixty of whom left no estates whatever. Two of the five who were rich have lost their fortunes. The remaining thirty-four, at the age of seventy-five, are dependent upon their children or others charitably inclined.

The records of the Surrogate Courts show that out of one hundred men who die, three leave estates of $10,000. Fifteen others leave estates from two to ten thousand dollars. Eighty-two of every one hundred leave no income-producing estates at all. Thus out of every one hundred widows only eighteen are left in good or comfortable circumstances. Forty-seven others are obliged to go to work and thirty-five are left in absolute want.

I believe you will agree with me that a thorough appreciation of the greater thrift is a national necessity—and you members of the National Education Association—you school teachers, school principals and school superintendents, college professors—are the ones through whom this must be accomplished. It is only through education that we can become a thrifty nation, and it is you, more than anyone else, who should understand and study the greater thrift, its economic value, and its importance to the industries, arts and sciences.

I am making a plea here to-night that the educators of this nation take up this question, because here is a great opportunity and a great duty. If character building and sensible living and thrift in its broadest sense are worth while, then why not lay the foundation aright—why not teach these things scientifically as we teach farming, cooking and all branches of education? Knowing these things, and understanding these things ourselves, are we doing our duty to our children and to posterity, if we fail to do that for which I am pleading to-night?

You understand better than I can tell you the influence of the public schools and of the parochial and private schools. You understand that the nation of to-morrow will be no greater than the truth you are teaching your pupils to-day. You understand that the boys or girls who go out from your schoolroom into actual life with only a haphazard idea of frugality will without doubt never become frugal men or frugal women. They will, in all likelihood, live haphazard lives, saving and spending alike, unwisely. But if they had been taught lessons in thrift; if there had been as much attention paid to teaching them personal economics as was given them in geography or any other one study their equipment for practical life would have been much better. I think we are just beginning to understand these things, and the fact that your body now has a committee which is investigating the question of teaching thrift in our schools shows that we have become awakened to a realization of these necessities.

We cannot, in the schools or elsewhere, teach a boy how to make money. Making money is a knack. But if the boy is not by nature endowed a money maker, we can teach him to live a sensible life, to spend his earnings wisely, to the best advantage of himself, his family and society. We can teach him, through the practices of thrift, good citizenship. On the other hand, the boy who is a natural money maker will, in spite of everything, acquire wealth when he matures, and in his school days we can so mold his character that when he becomes a prosperous citizen he will employ his accumulations as a sacred trust, using them to the greatest good of himself and his fellowman. We can teach him, by the examples of the lives of worthy and successful men, that it is more praiseworthy to succeed in good citizenship than to be a glorified butcher on a battle field.

From plow boys to captains of industry—how many great Americans have trod that path! How many of our citizens begin life with the handicap of poverty and gain the heights! Let the children learn that success does not mean alone the winning of great political or industrial battles, or the slaughter of human beings, but that the men who build factories, banks, railroads, hospitals, art galleries, colleges and churches do so because they have learned how to save and how to spend wisely, and have mastered the science of living.

A few weeks ago I received a letter from a western governor, who told me that a wealthy citizen of his state had written him regarding the advisability of endowing a chair for the teaching of thrift in an institution of higher learning. I believe the time will come in America, my friends, when the greater thrift will be taught in our colleges, universities and academies. I believe this just as firmly as I believe the time is near at hand when thrift will be taught in the primary classes, the grammar schools and the high schools—and I believe, above all things, thrift should be taught in our normal schools so that our teachers will be especially well equipped to instruct their pupils in personal economics.

In one way only has the doctrine of the greater thrift influenced our curricula. I refer to thrift in human material. In past ages feeble or defective children were so much mere human wastage, to be thrown on the scrap heap. Two thousand years ago the Spartans deliberately put to death children which seemed to be below the physical grade demanded by the code of that fiercely militaristic nation—abandoned them to the tender mercy of the storms and wild beasts in some rocky glen of the mountains. To-day we conserve this human material. The declining figures of infant mortality show vividly our care for the less robust members of the race. Our schools for backward children, our asylums, our charitable homes, take the human material that would have been thrown away as worthless a few centuries or even a few decades ago, and eventually turn the feeble, the backward, the subnormal child into a good citizen. Yet this is the only instance, with the exception of school savings banks, that I can find in which thrift in any of its aspects has even touched our educational system of the twentieth century.

I do not believe I am speaking academically. I am speaking practically, and dealing with facts as they exist in this nation to-day. Is the fact that we are neglecting to train our boys and our girls in one of the most important functions of good citizenship idle talk? I say, No. As a parent, and as an American, I am here to plead with you teachers of America not to let this opportunity go by. And I am happy to say that I do not believe you will let it go by. I believe you realize keenly and thoroughly the value of the greater thrift and the necessity of teaching thrift in its broadest sense in our schools and adding character building, if you please, to our curriculum. And if we who are here to-day bend our efforts to this end, and if we make up our minds that it shall be accomplished, it WILL be accomplished, and posterity will thank you.

In an address before your honorable body at Detroit last February, I spoke along the lines of the development of individual preparedness, or character building, through thrift taught in our schools. I have not taken the time to-night to point out the benefits that would come to our nation, because you understand too well that no nation can ever be greater than its individual citizens. But in closing I wish to say: There is much talk to-day of national honor, of patriotic duties to be met by the individual. Americanism was never so clearly defined as it is to-day. We have come to understand that you and I, and all of our citizens, are first, and above all things else, Americans. We must owe our allegiance alone to this great nation of Washington, Lincoln and Franklin. The events of the past few months have stimulated our patriotism—and in these days of increased devotion to our country, let us not neglect our duty to the America of to-morrow, for the America of to-morrow will have tremendous problems of which you and I do not dream to-day, just as you and I have problems to-day of which our fathers and our forefathers were ignorant.

But whatever comes, the American of the future must be individually prepared. He must be strong in character; he must be frugal; he must be sensible. He must be able not alone to save money, but to spend money wisely. He must be educated in the ways of correct living. And I trust that we, to-day, have in our hearts the steadfast purpose to add to the curriculum of our schools the broad principles of the greater thrift, of scientific character building, of personal economics in their most comprehensive sense.

This is the patriotism of the greater thrift. This is the duty that the America of to-morrow is calling to us to perform. Let us not fail! Let us be loyal and true to the purposes of this republic, and let us feel that as this nation goes forward in its lofty mission that we shall be known throughout the world as a people which is moral and clean and right—which wastes not its substance in debauchery, nor saves to the point of miserliness—a nation of men and women who are happy in the peace and prosperity and joy that come to those who live the lives of the greater thrift.

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TITLE